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**CITY COUNCIL APPROVES \$50 MILLION  
EXPANSION AND MODERNIZATION OF DIVVY BIKE SHARE SYSTEM**

*Divvy bike sharing will expand to serve the entire city, dramatically increase annual Divvy revenues to the City of Chicago & create more than 200 new jobs*

City Council today approved a proposal from Mayor Rahm Emanuel and the Chicago Department of Transportation (CDOT) to amend the existing contract with Divvy operator Motivate International Inc., now part of Lyft, Inc., to modernize and expand the city's bike share system. Under the amendment, Divvy will begin expanding its service area this summer and will cover the entire city within three years. The expansion is made possible by a \$50 million investment in new bikes, stations and hardware by Lyft, which will also become the new sponsor of the system, pledging to provide the city with an additional \$77 million in direct revenue for transportation improvements over a nine-year period. In sum, the agreement represents \$127 million in direct benefits to the city, plus additional indirect benefits including expanded programming and reduced financial risk.

"My administration has made it a priority to create a variety of high-quality, reliable transportation options to get Chicagoans and visitors where they want to go," said Mayor Emanuel. "While the Divvy program has expanded substantially since its launch in 2013 and helped make Chicago the best bike city in America, the City Council has seized the opportunity to create a modernized system that creates increasing annual revenues for the city while ensuring all 50 wards have access to bike sharing."

Under the proposal, Lyft will make a \$50 million capital investment to modernize and expand the Divvy system to all 50 wards by 2021, adding 10,500 bikes and 175 stations. As a result, the expanded system will have approximately 16,500 bikes and 800 stations. All new bikes will be electric pedal-assist bikes and have hybrid locking capabilities, so they can be locked at a Divvy station or to a regular bike rack. The growth of the bike share system will create more than 200 additional jobs with Divvy in Chicago. Lyft will also offer a job training program for youth and ex-offenders; expand the Divvy for Everyone program for low-income customers; and pilot an adaptive bike sharing program for people with disabilities.

"CDOT is very pleased to be building on our partnership with Lyft to deliver on our commitment to expanding our popular Divvy system to the entire city," CDOT Commissioner Rebekah Scheinfeld said. "The proposed amendment builds on the strong foundation of Divvy today, to ensure we have a growing, modern system with the latest technology, to give Chicagoans and visitors alike an affordable, convenient and high-quality option for getting around."

Under the agreement, the city will maintain ownership of the current capital equipment. Lyft will continue to operate Divvy with equipment owned by the city as well as new equipment purchased by Lyft. The city will maintain control over significant fare pricing changes and any new fare products or promotions, and Lyft will continue to be accountable for meeting service quality standards.

The amendment does not extend the existing term of the Divvy contract, which has nine years remaining. Divvy will remain the exclusive bike share system in Chicago and the city will not license or permit any additional bike share operations during the term of the agreement.

“We are thrilled to partner with the City and deliver bike share to every ward and every neighborhood of Chicago,” said Lyft Chief Policy Officer Anthony Foxx. “We’re committed to working closely with communities across Chicago to build on the success of Divvy and ensure its growth as a public transportation solution that is convenient, equitable and affordable.”

The amendment restructures the financial terms of the contract to dramatically increase annual guaranteed revenues and reduce financial risk to the city. Lyft will pay the city an annual payment of \$6 million, which will increase by four percent each year. Further, the city will receive \$1.5 million in minimum guaranteed revenue from advertising and promotions, and five percent of all rider revenue that exceeds \$20 million per year. Over the nine year life of the contract, this totals a minimum of \$77 million in guaranteed revenue available for investment in transportation improvements and programming.

The agreement will also eliminate the city’s current financial risk for the system by ending the city’s obligation to share in operating losses.

As it does today, the city will maintain oversight of the performance of the Divvy contract through a set of ridership and equity targets, and the city will retain its ability to assess financial penalties if Lyft does not meet these targets.

#### **ABOUT DIVVY**

With more than 6,000 bikes currently deployed and more than 600 stations, Divvy is North America’s largest bike share system in terms of geographic area, covering about two-thirds of the City of Chicago. Intended to provide additional options for both Chicagoans and visitors to get around and explore the City, Divvy is convenient, fast, fun and affordable. It also serves as Chicago’s newest transit system and provides a convenient first-mile/last-mile connection at many CTA and Metra stations.

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